

CHAPTER: IX <b>FINANCIAL ELIGIBILITY</b>	SECTION: 5 <b>INCOME - UNEARNED</b>	COMAR: <b>07.03.03.13</b>
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## **COUNTABLE UNEARNED INCOME**

- A. Unearned income comes from sources other than services performed, wages, salaries, tips, commissions, labor, or self-employment
- B. Unearned income available to the household, unless specifically excluded, is countable when determining the eligibility of the applicant or customer
- C. Countable unearned income includes, but is not limited to:
  1. Investment Income
  2. Pension Income
    - Railroad Retirement
    - Job Retirement
    - Mine Worker's Retirement
  3. Benefit income
    - Social Security Retirement
    - Social Security Survivors
    - Social Security Disability Insurance
  4. Sick or accident income
  5. Child support payments
  6. Alimony payments
  7. Contributions from family or friends
  8. Lump sum payments
  9. Interest
  10. Lottery winnings
  11. Lawsuit settlements
  12. Inheritances
  13. Governmental rent subsidies
    - The first \$60
      - a. Section 8 housing

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- b. Public housing
- c. Farmer's Home Administration (FMHA) Section 515 Rental Assistance housing
- 14. Worker's compensation
- 15. Unemployment compensation (UNEI)
- 16. Military service benefits (Veterans)
- 17. Criminal Injuries Compensation Board payments

### **EXCLUDED UNEARNED INCOME**

- A. Types of unearned income that are available to the household but are not counted when determining eligibility include:
  - 1. Grants, loans, or scholarships for education (if a part of the Independence plan)
  - 2. Approved training allowances
  - 3. Foster care payments
  - 4. Adoption subsidy payments
  - 5. Food Stamp Value
  - 6. Uniform Relocation Assistance
  - 7. Low-Income Home Energy payments
  - 8. Payments made under the Child Nutrition Act of 1966 i.e. Women, Infants and Children's program (WIC)
  - 9. Payments made under the Disaster Relief Act of 1974
  - 10. Federal Emergency Management Assistance (FEMA) funds when payments are made because of a major disaster or emergency. **Note:** Not all FEMA funds are excluded for example, some payments made to homeless people to pay for food, rent , mortgage when there is no major disaster or emergency.
  - 11. Loans, other than educational loans, that have a repayment plan (the loan does not have to be formal or in writing)
  - 12. Reimbursement for any out of pocket expenses incurred while performing volunteer work such as:
    - Transportation expenses

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- Mileage expenses
  - Parking expenses
13. Emergency Assistance to Families With Children grants (EAFC)
  14. Third party payments
  15. Income or assets distributed to certain Indian tribes as required by Public Law 94 – 114, Section 5
  16. Vietnam veterans allowances for children with birth defects
  17. Supplemental Security Income (SSI) benefits
  18. Criminal Injuries Compensation
  19. College Work Study
  20. Earned income tax credit
- B. Other types of unearned income available to the household but not counted as unearned income or counted towards the asset limit are:
1. Funds placed into the Housing and Urban Development's (HUD) Family Self-Sufficient Program (FSS)
  2. Subsidy payments under the Welfare-To-Work Rental Voucher Program

Note: Funds held in the FSS escrow account are counted towards the \$2000 TCA asset limit in the month the family receives the money. Totally exclude from income and asset calculations the Welfare-To-Work Voucher.

## UNEARNED INCOME CALCULATIONS

- A. Unearned income is to be converted into a monthly amount, follow this procedure:
1. Multiply the weekly gross unearned income (drop cents) by 4
  2. Multiply the biweekly gross unearned income (drop cents) by 2
  3. Multiply the semi-monthly gross unearned income (drop cents) by 2,
  4. Drop the cents of the monthly gross unearned income, and use the remainder
  5. Divide the annual gross unearned income (drop cents) by 12

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- B. If the net monthly unearned income amount is equal to or greater than the TCA benefit grant amount for the family size, the family is ineligible for TCA.

**EXAMPLES:**

- Example 1. Social security benefits of \$375.80 a month convert to a net monthly unearned income amount of **\$375** after dropping the cents.
- Example 2. Sick benefits of \$67.90 a week convert to a net monthly unearned income amount of **\$268** after dropping the cents and multiplying the \$67 by 4.
- Example 3. Investment benefits of \$5,416.82 a year convert to a net monthly unearned income amount of **\$451** after dropping the cents and dividing by 12.
- Example 4. Alimony payments of \$83.06 semi-monthly convert to a net monthly unearned income amount of **\$166** after dropping the cents and multiplying by 2.